ENGROSSED SUBSTITUTE SENATE BILL 5140

State of Washington 59th Legislature 2005 Regular Session

By Senate Committee on Government Operations & Elections (originally sponsored by Senators Berkey, Kastama and Kohl-Welles)

READ FIRST TIME 02/03/05.

1 AN ACT Relating to the disposal of surplus funds of candidates or 2 political committees; amending RCW 42.17.095; and declaring an 3 emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 42.17.095 and 1995 c 397 s 31 are each amended to read 6 as follows:

7 The surplus funds of a candidate, or of a political committee 8 supporting or opposing a candidate, may only be disposed of in any one 9 or more of the following ways:

10 (1) Return the surplus to a contributor in an amount not to exceed 11 that contributor's original contribution;

12 (2) Transfer the surplus to the candidate's personal account as 13 reimbursement for lost earnings incurred as a result of that candidate's election campaign. Such lost earnings shall be verifiable 14 15 as unpaid salary or, when the candidate is not salaried, as an amount 16 not to exceed income received by the candidate for services rendered during an appropriate, corresponding time period. All lost earnings 17 incurred shall be documented and a record thereof shall be maintained 18

by the candidate or the candidate's political committee. The committee shall include a copy of such record when its expenditure for such reimbursement is reported pursuant to RCW 42.17.090;

4 (3) Transfer the surplus without limit to a political party or to 5 a caucus political committee;

6 (4) Donate the surplus to <u>a public school</u>, <u>school district</u>, <u>or</u> 7 <u>educational service district</u>, <u>or to</u> a charitable organization 8 registered in accordance with chapter 19.09 RCW;

9 (5) Transmit the surplus to the state treasurer for deposit in the 10 general fund, the oral history, state library, and archives account 11 <u>under RCW 43.07.380</u>, or the legislative international trade account 12 <u>under RCW 44.04.270</u>, as specified by the candidate or political 13 committee; or

14 (6) Hold the surplus in the campaign depository or depositories designated in accordance with RCW 42.17.050 for possible use in a 15 future election campaign for the same office last sought by the 16 17 candidate and report any such disposition in accordance with RCW 42.17.090: PROVIDED, That if the candidate subsequently announces or 18 publicly files for office, information as appropriate is reported to 19 the commission in accordance with RCW 42.17.040 through 42.17.090. 20 If 21 a subsequent office is not sought the surplus held shall be disposed of 22 in accordance with the requirements of this section.

(7) Hold the surplus campaign funds in a separate account for nonreimbursed public office-related expenses or as provided in this section, and report any such disposition in accordance with RCW 42.17.090. The separate account required under this subsection shall not be used for deposits of campaign funds that are not surplus.

(8) No candidate or authorized committee may transfer funds to anyother candidate or other political committee.

30 The disposal of surplus funds under this section shall not be 31 considered a contribution for purposes of this chapter.

32 <u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate 33 preservation of the public peace, health, or safety, or support of the 34 state government and its existing public institutions, and takes effect 35 immediately.

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